

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-107. This amendment includes minor wording and sentence structure changes for clarification. The substantial amendment is the addition of subsection (J), outlining the criteria for filing of electronic log files if available.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

Federal Law does not mandate the proposed amendment. In addition to minor wording and sentence structure changes for clarification, subsection (J) was added to require the filing of electronic logs, if available. Requiring the filing of electronic logs, if available, will streamline the respective filing and data-handling processes for both industry and the Commission.

III. Environmental Benefit Statement:

There will be a direct environmental benefit to the industry, agency, other governmental agencies, and the general public, in that fewer paper resources will be used to print well logs. Those resources will be replaced with electronic data, which can be stored, copied, and disseminated. The impact on a per well basis will be minimal, but the environmental impact on an industry-wide basis will be substantial.

IV. Anticipated Economic Impact:

There is an anticipated economic impact to the industry, agency, other governmental agencies, and the general public. As the well logs will be available and transferable in an electronic format, costs for copying and mailing paper logs, as well as personnel time, will be minimized.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-108. This amendment clarifies the notice requirements for well location exception applications. Practically speaking, it will not change the application process that has been followed by oil and gas operators.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

This regulation is not mandated by Federal Law. This regulation governs filing of well location exception applications with the Kansas Corporation Commission, and is required to specify that operators must provide notice and publish notice of well location exception applications.

III. Environmental Benefit Statement:

There will be no direct environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact:

There will be no direct economic impact to the industry, agency, other governmental agencies, or the general public. In practice, the industry is already complying with the proposed amendment to the regulation at the request of Commission Staff.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-111. This amendment includes minor wording and sentence structure changes for clarification. The true substance of the amendment is the eligibility and timeframe allowed for temporary abandonment of wells.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

This regulation is not mandated by Federal Law. This regulation governs filing for temporary abandonment authority of wells and the filing of an application for an exception to the regulations for temporary abandonment. The amendment is required to allow wells to be temporarily abandoned for only ten years.

III. Environmental Benefit Statement:

There will be no short-term, direct environmental benefit on the industry, agency, other governmental agencies, or the general public. Long term, the amendment will ensure that abandoned oil and gas wells are plugged in a manner that protects the waters and soils of the State from pollution related to oil and gas operations.

IV. Anticipated Economic Impact:

There will be no short term, direct economic impact to the industry, agency, other governmental agencies, or the general public. Long term, the proposed language will help ensure that the responsible party for a well plugs that well. Ultimately, the regulatory change will save the State of Kansas money as it will lower the number of abandoned oil and gas wells that have to be plugged with State funds.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-135a. This regulation deals with notice of applications and protests against applications. The amendment adds reference to Commission regulations 82-3-108 and 82-3-138 to the notice requirements. For environmental applications, the amendments allows for the filing of a permit or an order. The amendments increase the protest period for environmental matters from 15 to 30 days. The amendments also include minor wording and sentence structure changes for clarification.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

This regulation governs notice of applications filed with the Kansas Corporation Commission. Federal law mandates this amendment, in part. With respect to applications in environmental matters, specifically underground injection control (UIC) issues, 40 C.F.R. § 124.10(b) requires that the notice of UIC permit applications allow at least 30 days for public comment. The amendment clarifies 82-3-135a(e) to require a 30-day protest period for UIC applications, as required by federal regulation.

III. Environmental Benefit Statement:

There will be no direct environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact:

There will be no direct economic impact to the industry, agency, other governmental agencies, or the general public.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-135b. This regulation deals with the filing of a protest against an application for an order or permit. This amendment adds new subsections, which specify the numbers of copies to be provided and specifies the time limit allowed for the filing of a protest for environmental and production matters.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

With respect to environmental matters, specifically underground injection control (UIC) issues, 40 C.F.R. § 124.10(b) requires that the notice of UIC permit applications allow at least 30 days for public comment. Therefore, 82-3-135(c) was bifurcated to differentiate the protest period for production matters from the protest period for UIC matters. The amendment allows a 30-day protest period for environmental matters, while the 15-day protest period for production matters remains the same. The amendment also clarifies the number of copies that must be filed with the Commission.

III. Environmental Benefit Statement:

There will be no direct substantial environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact:

There will be no direct economic impact to the industry, agency, other governmental agencies, or the general public.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-138. This amendment clarifies the notice requirements for new pool applications. It amends subsection (a)(3) by allowing a certificate of mailing to verify notice was provided as required in Commission regulation 82-3-135a(b).

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

This regulation is not mandated by Federal Law. It allows a certificate of mailing to verify notice of the application was provided as required by Commission regulations.

III. Environmental Benefit Statement:

There will be no direct environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact:

There will be no direct economic impact to the industry, agency, other governmental agencies, or the general public.

ECONOMIC IMPACT STATEMENT

I. Summary of Proposed Regulations, Including Its Purpose:

K.A.R. 82-3-402. This regulation sets out the notice requirements for an application for injection authority. This regulation also contains minor wording and sentence structure changes for clarification.

II. Reason or Reasons the Proposed Regulation Is Required, Including Whether or Not the Regulation is Mandated by Federal Law:

The amendment to this regulation is mandated by Federal Law, in part. 40 C.F.R. § 124.10(b) requires that the notice of UIC permit applications allow at least 30 days for public comment, so 82-3-402(c) is being amended to reflect a 30-day timeframe for objections to underground injection control applications. The amendments also contain minor wording changes for clarification.

III. Environmental Benefit Statement:

There will be no direct environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact:

There will be no direct economic impact to the industry, agency, other governmental agencies, or the general public.